



Fact Sheet

U.S. Department of Agriculture
Foreign Agricultural Service

WTO and Agriculture **What's at Stake for Virginia?**

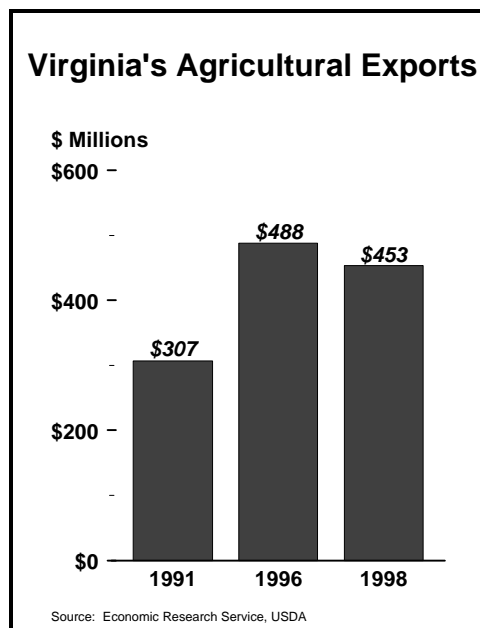
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Virginia produces agricultural, forest, and fishery products that are exported worldwide. In 1998, the state's farm cash receipts reached \$2.3 billion. Wood product shipments totaled \$2.4 billion in 1996, and commercial fish landings were \$113 million in 1998. As for exports, Virginia's agricultural sales overseas were estimated at \$453 million in 1998. These exports help boost farm prices and income, while supporting about 6,900 jobs both on and off the farm in food processing, storage, and transportation. Exports are increasingly important to Virginia's agricultural and state-wide economy. Measured as exports divided by farm cash receipts, the state's reliance on agricultural exports has risen from 15 percent to 19 percent since 1991.

The top five agricultural exports in 1998 were:

- # poultry and products -- \$101 million
- # tobacco leaf -- \$92 million
- # live animals and red meats -- \$87 million
- # wheat and products -- \$43 million
- # soybeans and products -- \$38 million

World demand for these products is increasing, but so is competition among suppliers. If Virginia's farmers, ranchers, and food processors are to compete successfully for the export opportunities of the 21st century, they need *fair trade* and *fair access* to growing global markets.



Virginia Benefits From Trade Agreements

- # Virginia benefits under the Uruguay Round as Poland opens market access equal to 8.5 percent of domestic consumption (roughly 30,000 tons in 1996). Korea will grant unlimited access for frozen chicken at a 20 percent tariff by 2004. The Philippines opened a tariff-rate quota for 14,000 tons of chicken, which will reach 23,500 tons by 2004.
- # A large tobacco producer, Virginia benefits under the Uruguay Round as the EU reduces tariffs by 20 percent to 50 percent, Japan reduces tariffs and binds its duty rate at zero for tobacco, and Argentina, Brazil, Turkey and others reduce import duties.
- # Under the Uruguay Round, major U.S. trading partners are reducing their tariffs 28 percent on average for wood products.